COUNCIL COMING ATTRACTIONS



Week of June 19, 2017

Innovation Economy, South County Recreation and Aquatic Center, and Landlord-Tenant Relations



Council Coming Attractions is a summary of some of the issues before the Council. All Council staff reports and additional information on each item scheduled for Council or Committee review can be viewed at: http://www.montgomerycountymd.gov/COUNCIL/ondemand/index.html.

Also the Council meeting schedule may change from time to time. The current Council and Committee agendas can also be viewed at:

http://www.montgomerycountymd.gov/COUNCIL/ondemand/index.html.

On June 20, the Council session will begin at 9:30 a.m. Councilmember Navarro will present a proclamation recognizing students who participated in the "I, Too, Am BCC" video to confront racism.

COUNCIL

Innovation Economy

The Council will hold a panel discussion about the innovation economy. Those who are expected to attend include: Tim Chi, CEO, WeddingWire; Mike Simon, CEO, Cryptonite NXT; Ting Shih, CEO, ClickMedix; and Tien Wong, MCEDC Board member and CEO and Chairman, Lore Systems. The discussion will begin with an overview of the County's innovation economy. Then the panelists will discuss why they located their businesses in the County, the resources required for businesses to grow and succeed, and steps that the County can take to foster the growth of innovative businesses. The staff report can be viewed at:

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=5029&meta_id=140005.

Bill 21-17, Animal Control – At-Large Definition

The Council is scheduled to introduce Bill 21-17. Councilmember Katz is the lead sponsor. Council President Roger Berliner and Councilmembers Rice and Elrich are cosponsors. The staff report can be found at:

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=5029&meta_id=140011.

Bill 21-17 would allow a dog to be off leash if it is in an area that a municipality has identified as a dog exercise area and would amend the definition of at-large animals.

Expedited Bill 18-17, Special Capital Improvements Project – South County Regional Recreation and Aquatic Center

The Council is scheduled to hold a public hearing and vote on Expedited Bill 18-17. Council President Berliner is the lead sponsor, at the request of the County Executive. The staff report can be found at:

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=5029&meta_id=140013.

Section 302 of the County Charter and Section 20-1 of the County Code require certain capital improvement projects to be individually authorized by law if the locally-funded cost is projected to exceed \$15,072,000 in FY18 dollars. Expedited Bill 18-17 would authorize the planning, design, and construction of the South County Regional Recreation and Aquatic Center (Project No. 721701) in the Silver Spring Central Business District.

Expedited Bill 17-17, Landlord-Tenant Relations - Duties of Director- Licensing of Rental Housing
 Fees

The Council is scheduled to vote on Expedited Bill 17-17. Council President Berliner and Councilmember Elrich are the lead sponsors. The staff report can be viewed at: http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=5029&meta_id=140015.

Expedited Bill 17-17 would require the Director of the Department of Housing and Community Affairs to "provide advocacy services and assistance to tenants in relation to their rights" under Chapter 29, Landlord-Tenant Relations. Current law provides that rental housing license fees are set by method (3) regulation. This Bill would set the amounts of the annual license fees per dwelling unit for each class of rental housing in the County Code and provides that fees may be set at higher amounts by method (3) regulation. The fees will include the \$3 increase that was part of the proposal to provide tenant advocacy services through the Office of Consumer Protection.

COMMITTEE

- Police and Fire Departments Recruitment and Diversity
 On June 19 at 9:30 a.m. the Public Safety (PS) Committee will review recruitment and diversity initiatives in the Police Department and Fire and Rescue Services. The staff report can be viewed: http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=5928&meta_id=140025.

 Those who are expected to attend the meeting include Captain James Fenner, Personnel Division, Montgomery County Police Department, and Chief Diane Zuspan, Division Chief, Human Resources, Montgomery County Fire and Rescue Service.
- Zoning Text Amendment 16-20, Overlay Zone Bethesda On June 19 at 2 p.m. the Planning, Housing and Economic Development (PHED) Committee will begin its review of ZTA 16-20. The lead sponsor is Councilmember Floreen at the request of the Planning Board. The staff report can be viewed at: http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=5929&meta_id=139956.

ZTA 16-20 was introduced at the request of the Planning Board to implement the Bethesda Downtown Plan as proposed by the Board. The Council's approved changes to the Bethesda Downtown Plan warrant changes to the proposed overlay zone. Staff has amended the ZTA to

mirror the changes made by Council to the Bethesda Downtown Plan. The Council held a public hearing on staff's amended draft ZTA 16-20 on June 13, 2017.

Executive Regulation 25-16, Administration – Office of Community Use of Public Facilities – Vulnerable Youth and Low-Income Persons

On June 19 at 2 p.m. the Education (ED) Committee will review Executive Regulation 25-16. Ginny Gong, Executive Director, Office of Community Use of Public Facilities (CUPF), is expected to attend the ED Committee meeting to discuss the proposed regulation. The staff report can be found:

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=5930&meta_id=140021.

In 2015 the Council unanimously enacted Bill 12-15, Administration Office of Community Use of Public Facilities - Vulnerable Youth and Low-Income Families, which required the Executive to create, and the Director of Community Use of Public Facilities (CUPF) to administer, a program to encourage and assist the use of public facilities by organizations serving vulnerable youth and low-income families. The program must include outreach, technical assistance, and financial assistance in the form of a reduction or waiver of fees for eligible organizations. Councilmember Navarro was the lead sponsor. Executive Regulation 25-16 is being proposed to implement this County law.

- Expedited Bill 15-17, Silver Spring, Bethesda, Wheaton, and Montgomery Hills Parking Lot Districts Areas Defined Tax Exemption
 - On June 22 at 9:30 a.m. the Transportation, Infrastructure, Energy and Environment (T&E) Committee will review Expedited Bill 15-17. Council President Berliner is the lead sponsor, at the request of the Executive. The staff report will be available on June 20.
 - Expedited Bill 15-17 would replace descriptions of the parking lot district boundaries with URL links to GIS maps; merge the Montgomery Hills Parking Lot District and the Silver Spring Parking Lot District; clarify the application requirement for tax exemptions; delete duplicative provisions; and generally amend the law governing parking lot districts.
 - The County currently has four Parking Lot Districts (PLDs): Silver Spring, Bethesda, Wheaton, and Montgomery Hills.
 - Expedited Bill 15-17 would delete the metes and bounds descriptions for the PLDs, and replace them with references to GIS maps maintained on the County website.
 - The Bill also would merge the Montgomery Hills PLD into the Silver Spring PLD.
 - According to the fiscal and economic impact statements, merging the PLDs is expected to streamline work flow processes and improve customer service by expanding flexible parking options for the increasing downtown population.
 - In addition, the Bill would amend County Code Section 60-6, which provides a tax exemption for certain property owners in PLDs that provide off-street parking facilities, to expressly reference the exemption application process set forth in Section 60-14.
- Bill 14-17, Motor Vehicles and Traffic Off-Street Parking Regulations Public Parking Facilities The T&E Committee will also review Bill 14-17. Council President Berliner is the lead sponsor, at the request of the Executive. The staff report will be available on June 20. Expedited Bill 14-17 would increase the amount of time that a person may continuously park a vehicle in an off-street public parking facility from 24 hours to 14 days.
- MDOT Transportation Priority Letter The T&E Committee will review the County's transportation priority letter. The staff report will be available on June 20.
- OLO Report 2017-5, Life-Cycle Regulation of On-Site Wastewater Treatment Systems
 The T&E Committee will also discuss OLO Report 2017-5. The staff report will be available on June 20. The full report can be viewed at:

http://www.montgomerycountymd.gov/OLO/Resources/Files/2017%20Reports/OLOReport2017_5.pdf.

The Council requested OLO Report 2017-5 to present alternative models to regulate the maintenance and performance of on-site wastewater treatment systems. Currently the County regulates these systems only at the time of design and installation. This report presents case studies of communities that have adopted inspection and maintenance regulations over the entire life of an onsite wastewater treatment system. A table that summarizes management models can be found on page 11 of the report. Pages 17-18 contain observations intended to inform Council consideration of whether to implement life-cycle on-site wastewater treatment system regulation. These OLO observations focus on the following areas: education and outreach, inspection, maintenance requirements, permitting and enforcement, program staffing, budget and funding, data management, and transition periods.

- Resolution to Approve the 2017-2026 Ten-Year Comprehensive Water Supply and Sewerage Systems Plan
 - The T&E meeting will conclude its meeting by reviewing the Resolution to approve the Ten-Year Comprehensive Water Supply and Sewerage Systems Plan. The staff report will be available on June 20. In light of OLO Report 2017-5, staff has asked representatives from the Department of Environmental Protection (DEP) and the Department of Permitting Services (DPS) to provide their thoughts on septic system regulations in the County as compared to other jurisdictions. DEP staff will also provide a summary of the major changes included in the recommended Ten-Year Comprehensive Water Supply and Sewerage Systems Plan.
- Resolution to Approve the Tax Supported Fiscal Plan Summary for FY18-23 Public Services Program

On June 22 at 9:30 a.m. the Government Operations and Fiscal Policy (GO) Committee will review the Resolution to approve the Tax Supported Fiscal Plan Summary. The staff report will be available on June 20 and will follow the information found in the staff report to Council, which can be found at:

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=5029&meta_id=139995.

Jennifer Hughes, Director, Office of Management and Budget and David Platt, Chief Economist, Department of Finance, are expected to attend the GO Committee meeting.

- Section 302 of the County Charter states in part: "The County Executive shall submit to the Council, not later than March 15 of each year, comprehensive six-year programs for public services and fiscal policy. The six-year programs shall require a vote of at least five Councilmembers for approval or modification. Final Council approval of the six-year programs shall occur at or about the date of budget approval."
- In June 2010 the Council approved a six-year Fiscal Plan that was balanced for the entire period. Each June since then the Council has taken similar action. The Fiscal Plan is then updated every year in December, three months before the release of the Executive's next recommended budget. Updates to economic indicators and revenue projections can theoretically result in a six-year plan that is more (or less) constrained than the one approved by the Council in June.
- The resolution introduced by the Council is based on the fiscal decisions it approved on May 25, 2017.
- The FY18-23 Tax Supported Fiscal Plan Summary, like all versions of the Fiscal Plan, reflects current fiscal projections and policy assumptions. As economic and fiscal conditions change, future versions of the plan will change as well. What this version shows is that resources available to allocate to FY19 agency budgets will be limited.
 - Total revenue is projected to increase steadily throughout the 6-year period (2.7% in FY19, 2.5% in both FY20 and FY21, and 3.0% in FY22 and F23).
 - The current projections for resources available to the agencies in FY18-23 are for a 0.4% decrease in FY19 followed by increases of 3.5%, 2.5%, 3.2%, and 3% in FY20-23.
 - Debt service is projected to increase by \$20.9 million (an increase of 5.2%) in FY19.

- Resolution No. 17-312 states: "The County should allocate to the CIP each year as PAYGO at least 10% of the amount of general obligation bonds planned for issue that year." PAYGO was \$34.0 million in FY18 and is projected at \$34.0 million annually in FY19-23.
- Current revenue in the CIP increases by \$31.5 million (an increase of 47.7%) in FY19.
- The reserve target for FY18 is 8.9% or \$457.3 million.
- Resolution 17-312 refers to Other Post-Employment Benefits (OPEB) including prefunding for retiree health benefits. While most governments have not met their full annual required contribution, the County reached that goal starting in FY15. The tax supported cost for all agencies in FY18 is \$122.2 million, up \$12.3 million from FY17. The steep increase in FY18 is a result of changes to actuarial assumptions at both Montgomery County Public Schools and Montgomery College. The GO Committee plans additional review of OPEB-related issues in FY18.

Bill 10-17, Recordation Tax - Rates - Amendments

The GO Committee will also review Bill 10-17. Councilmember Elrich is the lead sponsor. The staff report will be available on June 20. Bill 10-17 would modify the recordation tax rates levied under State law for certain transactions. The "Recordation Tax Premium" went into effect in 2008. Bill 15-16, enacted on May 18, 2016, increased the Premium rate from \$1.55 to \$2.30/\$500. Unlike the two elements of the base rate paid on all transactions, the Premium applies only to the cost of a property or a refinancing that is more than \$500,000. Half of the proceeds from the Premium are allocated to County Government capital projects and the other half is for rental assistance for low and moderate income households.

- Bill 10-17 would reduce the Premium for transactions that are more than \$500,000 but less than \$1million from \$2.30 to \$1.55/\$500. The Bill would increase the Premium for transactions that are more than \$1 million but less than \$2 million from \$2.30 to \$2.55/\$500. The Bill would also increase the Premium for transactions that are more than \$2 million from \$2.30 to \$3.55/\$500.
- Councilmember Elrich believes that this approach is a more progressive way to impose the recordation tax and that the rate changes would be revenue neutral.

Update - Public Financing for 2018 Election Cycle

The Committee will also get an update on the implementation of public campaign financing in the County for the 2018 election cycle. The staff report will be available on June 20. David Crow, Fiscal Projects Manager, Department of Finance, and Jared DeMarinis, Director, Candidacy and Campaign Finance, State Board of Elections, are expected to attend the GO Committee meeting. More information about the County's public campaign financing system can be found: http://www.montgomerycountymd.gov/COUNCIL/public_campaign_finance.html.

Expedited Bill 13-17, Taxation - Property Tax Credit for Retired Military Services Members -Eligibility

The GO Committee will close out its meeting with by reviewing Expedited Bill 13-17. Councilmember Floreen is the lead sponsor. Council President Berliner and Councilmembers Rice, Katz, and Navarro are cosponsors. The staff report will be available on June 20. Expedited Bill 13-17 would expand the property tax credit for military retirees to include retired members of the uniformed services, the military reserves, or the National Guard. Expedited Bill 13-17 would implement the authority granted in House Bill 1234, Property Tax - Credit for Retired Military Service Members – Eligibility, which was enacted during the 2017 Maryland General Assembly session.

Inspector General

On June 22 at 2 p.m. the Audit Committee will receive an update from Inspector General Edward Blansitt III. The staff report will be available on June 20. The Inspector General's Work Plan and published reports are found on the OIG's website, at:

http://www.montgomerycountymd.gov/OIG/igproduct.html

Items of note include:

- The OIG issued seven reports and three preliminary inquiry memorandums (PIM) in FY2017:
 - Communication of Building Permit Information to SDAT;
 - ✓ Montgomery County Information Systems Security;
 - ✓ Lawrence Court Halfway House Meal Provision to Residents (PIM);
 - ✓ Healthcare Billing Practices;
 - √ Follow-up Review: Managing Alcohol Inspections;
 - ✓ Administration of Contracts Awarded to Maryland Treatment Centers;
 - √ Follow-Up Review: Preventative Maintenance and Compressed Natural Gas Tank Inspections of Ride-On Buses;
 - ✓ 2016 People of Distinction Humanitarian Awards (PIM);
 - ✓ Oversight of the Montgomery College President's Expenses; and
 - ✓ Yellow Signal Timing (PIM).
- The OIG is currently working on 20 cases, including eight referrals.

Office of Internal Audit

The Audit Committee also will receive an update from the Office of Internal Audit. The staff report will be available on June 20. Fariba Kassiri, Assistant Chief Administrative Officer, and William Broglie, Manager, Office of Internal Audit, are expected to attend the Audit Committee meeting. Published reports for the Office of Internal Audit can be found at: http://www.montgomerycountymd.gov/exec/internal_audit.html.

Items of note include:

- Five reports have been released since they were last before the Audit Committee in September 2016, including:
 - ✓ 9-1-1 Service Interruption: Investigative Services;
 - ✓ Silver Spring Apartment Fire: County Response/Recovery Effort and Lessons Learned:
 - ✓ Assessment of 9-1-1 Consolidated Emergency Communications Center Transition
 Plan:
 - ✓ Assessment of County's Implementation Plan for Minimum Wage Law for Tipped Employees (Bill 24-15); and
 - ✓ HIPAA Compliance Phase 1 Risk Assessment.
- The Office of Internal Audit has two ongoing reviews: DLC Retail Store Operations and Fleet Maintenance Inventory Management